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Bell to Disclose Decision in ITT Probe

By Charles R. Babcock

Washington Post Staff Writer

Attorney General Griffin B. Bell is to announce today whether the Justice Department will prosecute three officials of the International Telephone & Telegraph Corp. on charges of lying to the Senate nearly five years ago about working with the Central Intelligence Agency in Chile.

The decision on whether to file criminal charges is complicated, however—as it was last fall in the case against former CIA director Richard M. Helms—by intelligence community claims that national security secrets might be disclosed if a trial were held.

CIA Director Stansfield Turner met with Bell last Thursday to express his concerns about the possible prosecutions, sources said.

Helms was allowed to plead “no contest” last October to misdemeanor charges of failing to testify fully to the Senate about CIA operations in Chile.

Bell said then that protecting top-secret information from possible disclosure at a perjury trial was a factor in the decision to accept a lesser plea from Helms.

The five-year statute of limitations for prosecuting Edward S. Gerrity, ITT senior vice president, and Robert Berrellez, an ITT Latin American official in the early 1970s, runs out today. The time after which prosecution of ITT Chairman Harold S. Geneen would be barred is less than two weeks away.

“I know Monday’s the last day on two of them,” Bell said in a telephone interview Saturday evening. “I’ll have something to say about all three one way or the other Monday.... The question is indictment or no indictment.”

The term of the grand jury hearing evidence in the case expired last month without indictments being returned. But Bell said, “That doesn’t make any difference. We can have agreement to proceed by information, a counterpart to an indictment.”

Prosecutors can file charges by what is called an “information” without going to a grand jury.

It was learned that in this case the potential defendants have waived their rights to have a grand jury consider and vote on whether to issue an indictment alleging a felony. Thus, it is possible that Bell is considering a perjury charge through an information, rather than a lesser accusation of a misdemeanor, in at least one of the cases.

The testimony in question was delivered almost five years ago to the Senate subcommittee on multinational corporations, which was investigating ITT’s alleged collaboration with the CIA to prevent the 1970 election of socialist Salvador Allende in Chile. Geneen, Gerrity and Berrellez testified under oath at the hearings. Possible perjury charges were referred from the Senate to the Justice Department in late 1975 after revelations that both the CIA and ITT had funded Allende’s election opponents.

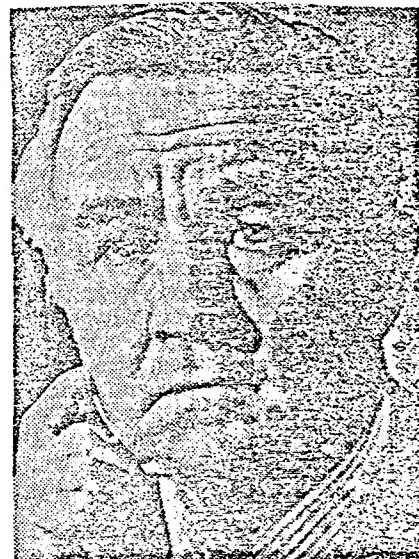
Allende won the election but was killed in a September 1973 coup.

The perjury investigations have dragged on because Justice Department prosecutors tried to prepare cases against Helms and the ITT officials that would withstand defense motions for access to secret CIA documents, Justice Department officials said.

In November 1976, Harold V. Hendrix, former ITT public relations director in Latin America, pleaded guilty to the misdemeanor charge of withholding information from the Senate subcommittee during his testimony.

Court papers filed at the time of his plea show that he had told the CIA he would be giving false testimony to the Senate. The papers also show he has been cooperating with prosecutors in the further investigations.

It could not be learned precisely what criminal charges might have been recommended in the remaining cases, or whether there has been plea



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bargaining, as there was in the Helms case.

Attorneys for the ITT officials could not be reached for comment.

Bell declined to comment on what his decision would be except to say the dispositions “might not all be the same.”

Others familiar with deliberations in the investigation, however, said the potential case against Gerrity appears stronger than that against Geneen.

In his March 22, 1973, testimony, Gerrity told the subcommittee that a proposed \$1 million ITT offer to the CIA in 1970 was to promote agriculture and housing in Chile, not to block Allende’s election. Members of the subcommittee were openly skeptical of that explanation at the time.

Geneen testified on April 2, 1973, that he had twice offered funds to the U.S. government to be used against Allende that he said the CIA declined.

It was disclosed in 1973 that ITT had given at least \$350,000 to support Allende’s opponents.

In his testimony, Geneen said, “Nor did ITT contribute money to any person or to any agency of any government to block the election of Allende.”

He also testified that “ITT did not take any steps to block the election of Salvador Allende as president of